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ATTORNEYS FOR DEFENDANT
MMTREND LLC

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

BIAGGIO SHIPHOLDING S.A.,

Plaintiff,

-against-

MMTREND LLC,

Defendant.

08 Civ. 3236 (JGK)

**REPLY AFFIDAVIT OF
MICHAEL J. FREVOLA**

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

Michael J. Frevola, being duly sworn, deposes and says:

1. I am a member of the firm of Holland & Knight LLP, attorneys for defendant Mmtrend LLC ("Mmtrend"), and I am duly admitted to practice before the United States District Court for the Southern District of New York.

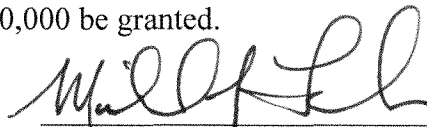
2. I submit this reply affidavit in further support of Mmtrend's motion for security for costs under Rule E(2)(b) of the Supplemental Rules for Certain Admiralty or Maritime Claims and Asset Forfeiture Proceedings of the Federal Rules of Civil Procedure.

3. I interact with London solicitors with regard to London arbitrations on a daily basis and routinely receive fee estimates for solicitors with regard to maritime arbitrations. My initial affidavit reflected my view that Plaintiff Biaggio's costs estimate submitted in its Verified Complaint was not unreasonable, which I reaffirm here.

4. Additionally, in this matter, I have been instructed by the Karaman Law Firm of Istanbul, Turkey. The Karaman Law Firm also instructs London solicitors with regard to London arbitrations, and they also agreed that Plaintiff Biaggio's estimate was not unreasonable. In fact, my introduction to the Karaman Law Firm was through solicitors at a London law firm with whom we had a common acquaintance.

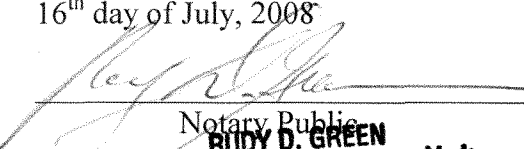
5. I refer to the Declaration of Sotos Skinitis, Esq. dated July 1, 2008 submitted in support of Biaggio's opposition to Mmtrend's motion for security for costs. In paragraphs 19 and 20 of that declaration, Mr. Skinitis states that "MMTREND has not asserted any counterclaims as against BIAGGIO" and "MMTREND does not have any claims against BIAGGIO arising out of the subject voyage and arrest noted above." In rebuttal of these statements, I annex as Exhibit 1 a telefax (with telefax confirmation sheet) to both Biaggio and Mr. Skinitis dated May 22, 2008 which sets forth a claim by Mmtrend against Biaggio under the same charter party and voyage as Biaggio's claims alleged in this proceeding.

WHEREFORE, Defendant Mmtrend LLC respectfully requests that its application for security for its costs in the amount of \$100,000 be granted.



Michael J. Frevola

Sworn to before me this
16th day of July, 2008



Notary Public
RUDY D. GREEN
Notary Public, State of New York
No. 02GR4952723
Qualified in Queens County
Certificate Filed in New York County
Commission Expires February 26, 2010

EXHIBIT 1

K A R A M A N
LAW FIRM

CUMHURİYET CADDESİ 6A, PAK APT. D.4
34367 ELMADAG - İSTANBUL
TEL: +90 212 219 18 18
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MAHMUT KARAMAN
*also qualified as marine
chief engineer*
URAL AYDIN (1968-2001)
SERRA ÜNSAL AKSAKAL
ERCAN DEMİR
FATMA KURT
SERPİL YILMAZ

BY TELEFAX

TOTAL 2 PAGES

Messrs.
Biaggio Shipping S.A.
c/o Successors Shipping SA
114-116 Karaïskou Street
18535, Piræus – Greece

Fax: 0030 210 429 73 12

cc. Messrs.
Skinitis Law Offices
Attn. Mr. Soto Skinitis
99 Akti Miaouli
18538 Piræus - Greece

Fax: 0030 210 429 04 72

22 May 2008

REF: M/V “ARBALIST”
OUR REF: MK/ED/RB/3785

Dear Sirs,

We represent Messrs. “MMTRENĐ LLC” and we refer to the previous correspondences on the above referenced matter.

We now write to you with respect to the losses and damages which were suffered by our Clients, due to your breach of the c/p dated 23.11.2007.

As you may also remember, it is clearly stated in the c/p that the laycan for the loading port was 4-12 December 2007. However the vessel did not arrive at the loading port within the agreed laycan and therefore the loading could only commence on 28th December.

Further to this delay, the master of the vessel refused to load full cargo and only accepted to load the amount of 8,450mt, although it was explicitly stated in the relevant c/p that the vessel could load min. 9,000 / max. 9,150 mts.

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K A R A M A N

-2-

Our Clients faced claims from the manufacturer of the goods due to delay, as our Clients could not remove the goods from the manufacturer's premises on time. As a result, our Clients had to pay a compensation of USD250,000 for storage of the goods, which could not be removed due to delay, and other relevant expenses claimed by the manufacturer. Together with other costs and expenses, including removal and extra storage of the goods which could not be loaded due to Master's refusal, our Clients' damages reached up to USD 350,000.

It is clear that the damages incurred by our Clients stemmed from the manifest breach of explicit c/p conditions, which has also been notified to you by our Clients' letter dated February 6th. As such, we hereby hold you liable for the reimbursement of the damages incurred by our Clients.

In conclusion, we hereby urge you to pay the amount of USD 350,000 to our Clients within 2 (two) days from the receipt of this letter. In the event of your refusal, we shall have no other option but to take any and all relevant legal steps, including but not limited to arresting your vessel(s). Needless to say, in such a case you shall also be liable for the legal costs and expenses which shall inevitably be incurred.

Lastly, for the sake of good order, please kindly note that all the aforesaid is completely without prejudice and that all rights and liberties of our Clients are hereby reserved.

Yours sincerely,


Ercan Demir-

***** -IND. XMT JOURNAL- ***** DATE 22-MAY-2008 ***** TIME 15:32 *****

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